


BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2003-39-C - ORDER NO. 2003-216

APRIL 3, 2003

IN RE:	Application of KMC Telecom III, LLC for)	ORDER GRANTING	
	Authority to Discontinue the Provision of)	REQUEST FOR	
	Switched Intrastate Long Distance Services to)	DISCONTINUANCE	
	Standalone Service Customers)	OF SELECTED LONG	
)	DISTANCE SERVICES	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of KMC Telecom III, LLC (KMC or the Company), for authority, pursuant to S.C. Code Title 58, Art. 1 §58-9-300, to discontinue the provision of switched intrastate long distance and toll free service to select customers in South Carolina. By its Application, KMC intends to continue providing intrastate long distance telecommunications service to its remaining customers in South Carolina under the Company's existing authorization and tariffs.

KMC Telecom III, LLC's authority to provide intrastate interexchange services, switched and special access, and local exchange telecommunications services in the State of South Carolina was originally granted to KMC Telecom, Inc. by Commission Order No. 97-149 issued February 24, 1997 in Docket No. 96-337-C. By Order No. 1999-280, dated April 14, 1999, assignment and transfer of the Certificate previously issued to KMC Telecom, Inc. was granted to KMC Telecom III, Inc. Lastly, by Order No. 2002-187, dated March 14, 2002, the Commission approved the name change of KMC Telecom III, Inc. to the Company's present name of KMC Telecom III, LLC.

By letter dated March 3, 2003, the Commission's Executive Director instructed KMC to publish a prepared Notice of Filing in newspapers of general circulation in the areas affected by the Application. The purpose of the Notice of Filing was to provide notice of the Application to any interested parties and to advise interested parties of the manner and time in which to file pleadings to participate in the docket. KMC filed Affidavits of Publication as proof that the Company had complied with the instructions of the Executive Director. No Petitions to Intervene, letters of protest, or comments were received by the Commission with regard to the instant Application. We will therefore proceed to dispose of the matter summarily.

KMC Telecom III, LLC is a privately held Delaware corporation with its principal place of business in Lawrenceville, Georgia. As a fiber-based integrated communications provider, KMC states that it offers data, voice and Internet infrastructure services to businesses, governments, institutional end-users, Internet service providers, long distance carriers, and wireless service providers in 37 markets across the eastern half of the United States. According to KMC, the Company's business has two distinct components: serving communications-intensive customers in markets with populations between 100,000 and 750,000, and providing data services on a nationwide basis.

By its Application, KMC intends to discontinue offering switched intrastate long distance and toll free services to customers who purchase only long distance or toll free service from KMC. KMC asserts that it is no longer economically feasible for the Company to continue providing these services on a standalone basis. However, according to KMC, customers who purchase long distance service from KMC in addition to or in

conjunction with local service from KMC will not be affected. KMC states in its Application that all affected customers will be notified via direct mailing on March 7, 2003, and KMC will provide the customers thirty (30) days to transition to another telecommunications provider. KMC states its belief that approval of the Company's discontinuance of standalone switched intrastate long distance service is in the public interest. Once the Commission approves the discontinuance, KMC asserts that the 118 affected customers will be able to easily find another provider of intrastate long distance services. KMC also states that in order for the Company to continue to provide local and intrastate long distance services and contribute to the competitive telecommunications environment in South Carolina, the Company must discontinue the provisioning of switched intrastate long distance and toll free service to select customers in South Carolina.

Subsequent to KMC's filing on February 7, 2003, of its original Application for discontinuance, KMC filed a copy with this Commission on March 25, 2003, of its Section 63.71 Application (FCC Application) for discontinuance filed with the Federal Communications Commission (FCC). According to the Company's FCC Application, KMC's targeted date for discontinuance of service in South Carolina is April 10, 2003. KMC states in its FCC Application that notice was sent to affected customers in South Carolina on March 7, 2003, and attached to KMC's FCC Application is a copy of the notice.

We have considered the record of this matter, and have concluded that the Application should be approved. Accordingly, KMC Telecom III, LLC's Application for

authority to discontinue the provision of switched intrastate long distance services to standalone service customers in South Carolina is hereby granted.

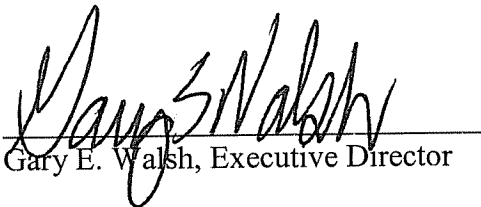
This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Mignon L. Clyburn, Chairman

ATTEST:



Gary E. Walsh, Executive Director

(SEAL)